

AUSTIN CITY COUNCIL

AGENDA



Thursday, January 25, 2007

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Public Works RECOMMENDATION FOR COUNCIL ACTION

ITEM No 14

Subject Approve an ordinance on first reading awarding a taxicab franchise to CAPITAL CITY CAB COMPANY, pursuant to Section 13-2-309(C) of the City Code, to operate a taxicab service in the City, and waiving the provisions of Section 13-2-309(B) of the City Code pertaining to the maximum number of permits which may be allocated to a franchise applicant

Amount and Source of Funding The taxicab permit fee of \$400 per year per permit is a revenue source. Expected annual revenue is \$22,000.

Additional Backup Material

(click to open)

- ☐ EVALUATION MATRIX
- ☐ COMMISSION RECOMMENDATION
- ☐ Ordinance

For More Information Felix Benavides, P E , 974-7027, Morris Poe, 974-1562, Laura Bohl, 974-7064

Boards and Commission Action Recommended by the Urban Transportation Commission

Prior Council Action June 8, 2006 - City Council directed staff to set aside 55 taxicab permits to create a new taxicab franchise, August 24, 2006 - City Council approved an ordinance changing the procedure for awarding a taxicab franchise from a lottery to merit based selection process, September 28, 2006 - City Council approved the evaluation criteria for the selection of a new taxicab franchise

From three candidates, Capital City Cab Company was ranked as the best-qualified applicant for a new taxicab franchise in a merit-based selection process, as prescribed in §13-2-309(C) of the Austin City Code,

In June of 2006, City Council directed staff to set aside 55 taxicab permits to create a new taxicab franchise. Then on August 24, 2006, the City Council amended the City Code to change the procedure for selecting a new taxicab franchise from a lottery process to a merit-based selection process. Council approved evaluation criteria for the merit-based selection process on September 28, 2006.

The City Code provides that the City Council may grant one or two additional taxicab franchises when there have been fewer than five taxicab franchise holders for five consecutive years. In addition, the Code also provides that the Council may award up to 50 franchise permits to a franchise if the Public Works Department has determined that at least one additional permit is necessary. Because there is more than one franchise applicant, the City Code requires the Council to award the franchise to the best-qualified applicant using a merit-based selection process. In awarding this proposed franchise ordinance, Council would waive the 50-permit limit in §13-2-309(B) and award 55 permits. Three of the 55 permits come from a pool of permits that have been reserved for a new franchise and 52 of the permits are based on future permit increases.

The following companies submitted applications for a new taxicab franchise: ABCABCO, Inc., d/b/a Lone Star Cab Company, Capital City Cab Company, and Green Eagles, Inc., d/b/a Longhorn Cab Company. A selection panel reviewed and evaluated each application and ranked Capital City Cab Company as the best-qualified applicant for a new taxicab franchise. The evaluation matrix is included in the accompanying

materials

The Urban Transportation Commission considered the ranking of the selection panel on January 9, 2007 and by a vote of 6 – 0 – 2 absent recommends that the franchise be awarded to Capital City Cab Company and asks the City Council to proceed as expeditiously as possible

Attached is a proposed ordinance for first reading only awarding the franchise to Capital City Cab Company. The City Charter requires that a franchise ordinance be read at three separate meetings. The third and final reading cannot occur until 30 days after the first reading. If this ordinance is adopted by the Council, the new franchise will be effective 60 days after Council approves the ordinance on the third reading.

**Public Works Department
Evaluation of Taxicab Franchise Qualifications**

Page 1 of 1

COMPOSITE

Applicant Firm (or Joint Venture)	Qualifying Items				Ranking Items								TOTAL
	[Yes or No] Financial Resource Item (met all min Standards)	[Yes or No] Criminal History Item (met all min Standards)	[Yes or No] Equipment Item (met all min Standards)	[Yes or No] Service Plan (met all min Standards)	Financial Resources	Related Experience	Equipment vehicles dispatch facility maintenance	Training Plan	Service Plan	Reporting Systems	Security Plan	Service to Special Needs Customers	
Capital City Cab Company	Yes	Yes	Yes	Yes	1	1	1 75	1 25	1 75	2	2	1 25	12
ABCABCO Inc dba Lonestar Cab Company	Yes	Yes	Yes	Yes	2	2	1 25	2	1 25	1 5	1 25	1 75	13
Longhorn Cab Company (A Division of Green Eagles, Inc.)	Yes	Yes	Yes	Yes	3	3	3	2 75	3	2 5	2 75	3	23

Note For the Ranking Items a score of 1 represents the strongest response in each area, 2 represents the second strongest response in each area, etc



MEMORANDUM

TO Mayor and Council

FROM Sondra Creighton, P E , Director
Public Works Department

DATE January 10, 2007

SUBJECT Urban Transportation Commission Recommendations

At the January 9, 2006 meeting of the Urban Transportation Commission, the following recommendations were made

1 Consider Recommendation for Awarding a New Taxicab Franchise -- Motion passed 6-0

Motion The Urban Transportation Commission recommends to City Council that the franchise be awarded to Capital City Cab Company and ask City Council to proceed as expeditiously as possible

2 Amendment to Taxicab Franchise Regulations -- Motion passed 6-0

Motion To accept the amendment to the ordinance and the Urban Transportation Commission strongly urges consideration being given to lowering the proposed franchise permit limitation from 60% to at least no more than 50%

3 City Procedures for Reporting Traffic Collisions - Motion passed 7-0

Motion The Urban Transportation Commission recommends that the Austin Police Department make all available crash data web accessible within the 2007 calendar year so that citizens and staff can investigate dangerous intersections and transportation safety issues more easily

4 Urban Transportation Commission Chair and Vice-chair Elections for 2007 -- Both motions passed 7-0

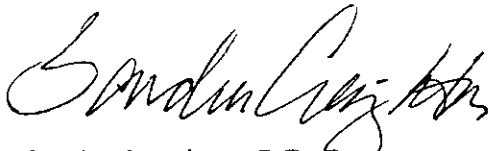
Motion Andrew Clements for Urban Transportation Commission Chair for 2007

Motion Andrew Bucknall for Urban Transportation Commission Vice-chair for 2007

Mayor and City Council Members
January 10, 2007
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If you have any questions, please contact me at 974-7175

Thank you,

A handwritten signature in black ink, appearing to read "Sondra Creighton". The signature is fluid and cursive, with a large initial "S" and a stylized "C".

Sondra Creighton, P E , Director
Public Works Department

SC rf

cc Toby Futrell, City Manager
Rudy Garza, Assistant City Manager
Gene Acuna, PIO

ORDINANCE NO. _____

1 AN ORDINANCE AWARDING A FRANCHISE TO CAPITAL CITY CAB
2 COMPANY TO OPERATE A TAXICAB SERVICE IN THE CITY OF AUSTIN
3 FOR FIVE YEARS; AND WAIVING THE REQUIREMENTS OF SECTION 13-2-
4 309(B) OF THE CITY CODE RELATING TO THE MAXIMUM NUMBER OF
5 PERMITS THAT MAY BE ALLOCATED.

6
7 BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

8
9 **PART 1. WAIVER.**

10 The council waives Section 13-2-309(B) (*Granting of Taxicab Franchise Under*
11 *Certain Circumstances*) of the City Code, limiting the maximum number of permits that
12 may be allocated to a franchise to 50

13 **PART 2. FRANCHISE GRANT.**

14 The city council awards a franchise to operate a taxicab business on the streets,
15 alleys, and public ways in the City of Austin to Capital City Cab Company ("franchise
16 holder") for a five-year period

17 **PART 3. FLEET SIZE.**

18 The franchise holder must maintain an active fleet of at least 25 and not more than
19 55 taxicabs. This taxicab allocation may be amended during the course of the franchise

20 **PART 4. COMPLIANCE WITH CITY CODE.**

21 The franchise holder shall comply with the provisions of the City Code relating to
22 ground transportation services and all amendments to those provisions during the period
23 of the taxicab franchise

24 **PART 5. MAINTENANCE OF RECORDS.**

25 The franchise holder shall maintain complete records of all dispatched calls, all
26 expenses incurred in connection with the operation of the taxicab service business, and all
27 revenues derived from the taxicab business

1
2 **PART 6. INSPECTION OF RECORDS.**

3 The franchise holder shall permit the Public Works Department to inspect all
4 records of this franchise in accordance with Section 13-2-306(D) (*Recordkeeping*
5 *Requirements*) of the City Code

6 **PART 7. TAXICAB OWNERSHIP, LEASE, OR CONTROL**

7 The franchise holder shall own, lease, or contract for control of each taxicab used
8 in the taxicab franchise

9 **PART 8. ANNUAL FRANCHISE PERMIT FEE.**

10 The franchise holder shall pay an annual franchise permit fee of \$400 for each
11 vehicle authorized in this franchise to the City of Austin at the office of the Director of
12 the Public Works Department. This fee may be amended by the city council during the
13 effective period of the franchise

14 **PART 9. SUSPENSION.**

15 (A) The city manager may suspend this franchise upon a determination that the
16 franchise holder has

- 17 (1) substantially breached the terms of this franchise,
18 (2) failed to comply with the provisions of the City Code relating to ground
19 transportation services, as amended,
20 (3) become delinquent in the payment of any fees or charges required by
21 law in connection, directly or indirectly, with the operation of the
22 franchise holder's taxicab business,
23 (4) failed to comply with a correction order issued to the franchise holder
24 within the time specified in the order, or
25 (5) intentionally or knowingly impeded the city manager or a law
26 enforcement agency in the performance of their duties

27 (B) If the city manager suspends this franchise, the franchise holder may submit a
28 written request to the city manager requesting reinstatement of the franchise,
29 stating the grounds supporting a reinstatement. After receipt of a request for
30 reinstatement, the city manager shall inspect the suspended franchise holder's
31 operation to determine whether the franchise holder has corrected the

1 deficiency that is the basis of the suspension The city manager may approve
2 or deny reinstatement after the inspection

- 3 (C) If the city manager denies reinstatement of the franchise, the franchise holder
4 may file an appeal of the city manager's decision with the city clerk not later
5 than the 14th day after notice of the denial The city clerk shall place the
6 appeal on the next city council agenda

7 **PART 10. FORFEITURE.**

8 (A) The franchise is subject to forfeiture if

- 9 (1) the franchise holder is convicted of a violation of a provision of the City
10 Code relating to ground transportation services during the period of the
11 taxicab franchise,
12 (2) it is shown that the taxicab franchise holder has substantially breached
13 the terms of this franchise, or
14 (3) the franchise holder fails to pay an outstanding final judgment against
15 the franchise holder that arises out of circumstances related to ground
16 transportation service

- 17 (B) On receipt of a report from the city manager that probable cause exists for the
18 cancellation and forfeiture of the franchise, the city council shall hold a
19 hearing, after a 30-day notice to the franchise holder, to determine if cause
20 exists to cancel the franchise If the city council finds at the hearing that cause
21 exists to cancel the franchise, it may cancel the franchise after the hearing

22 **PART 11. FRANCHISE CONDITIONS**

23 The franchise holder shall, no later than ten days before the Effective Date, provide
24 the following to the Public Works Department

- 25 (A) proof of insurance as required by Section 13-2-34 (*Insurance Required*) of the
26 City Code,
27 (B) demonstration of ability to receive calls for service at franchise holder's
28 dispatch facility,
29 (C) demonstration of ability to dispatch calls and communicate with franchise
30 holder's taxicabs at franchise holder's dispatch facility, and

(D) demonstration that each authorized franchise permit is assigned to a vehicle meeting the standards described in Chapter 13-2, Article 3, Division 5 (*Vehicles and Equipment*) of the City Code

PART 12. FRANCHISE ACCEPTANCE.

The franchise holder shall file its written acceptance of the terms of this ordinance with the city clerk not later than the (60th day after the city council's adoption of this ordinance)

PART 13. EFFECTIVE DATE

This ordinance becomes effective on the (61st day after the city council's adoption of this ordinance), unless the franchise holder fails to meet all requirements in Part 11 (*Franchise Conditions*) or fails to file its written acceptance of this ordinance as required by Part 12 (*Franchise Acceptance*). If the franchise holder fails to meet the requirements or fails to file the written acceptance, this ordinance is void.

PART 13 This ordinance takes effect on _____, 2007

PASSED AND APPROVED

_____, 2007

§
§
§ _____

Will Wynn
Mayor

APPROVED: _____
David Allan Smith
City Attorney

ATTEST: _____
Shirley A Gentry
City Clerk